

Power Wind Health Industry Incorporated

Presenter: Alex Miao, CFO



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I. Company Introduction

1. Company Profile
2. Company History
3. Business Brands
4. Service Locations
5. Breakdown of Operating Revenues
6. Shareholders Composition
7. Board Members
8. Management Team

1. Company Profile



Power Wind Health Industry Incorporated

Date of Establishment

October 4, 2005

Industry

Tourism Industry

Paid-in Capital (May 15, 2023)

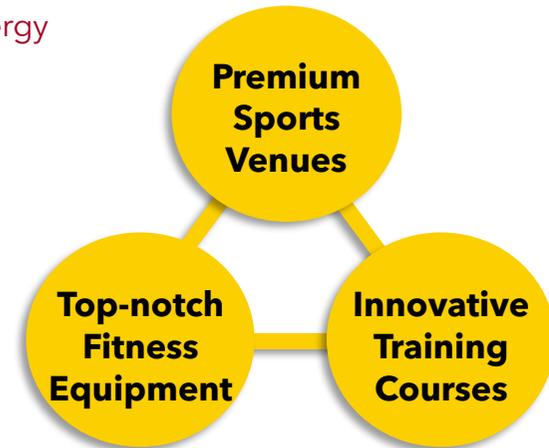
NT\$794,434 thousand

Number of Employees
(As of May 31, 2023)

**1,668 ppl. in the Group
(including Bo Xin)**



- Operate membership-based fitness center chains and recreational venues
- Provide members with “premium sports venues,” “top-notch fitness equipment,” and “innovative training courses” to meet the needs of young people pursuing ideal body figures, young adults building strong bodies, and seniors maintaining energy



2. Company History

2005

- Power Wind was founded on October 4

2006

- The 1st business brand was established



2007

- The 1st venue, Fitness Factory Boai, was opened on February 10
- The 2nd business brand Body Workshop was established in Fitness Factory Boai



2008

- The 2nd venue, Fitness Factory Jiuru, was opened on July 8. Officially developed Fitness Factory into a fitness brand chain

2013

- "Fitness Factory" was awarded 2013 Most Innovative Fitness Club in Asia-Pacific region by IHRSA
- Expanded to central Taiwan. Fitness Factory Jingming was opened on August 8 in Taichung

2014

- IPO on July 16
- Started to be traded on TPEX on August 29

2015

- The 4th business brand Crazy Jump was established, and the 1st trampoline park was opened in Toufen, Miaoli, on May 29



2016

- Officially a TPEX listed company on March 10
- The 5th business brand Let's Roll was established, and the 1st bowling alley was opened on May 9 at SKM Park Outlets Kaohsiung Caoya



2017

- The 6th business brand S klub (children physical fitness club) was established. The 1st venue was opened on February 4 in Qinghai, Kaohsiung



2018

- Obtained SGS QualiCert, the international service quality certificate

2019

- Officially a TWSE listed company on March 15
- Put 50% of prepaid personal training courses into trust on September 1
- Power Wind was included in MSCI Taiwan Small Cap Index on November 26

2020

- The 7th business brand KILL ZONE was established. The 1st venue was opened on March 9 in Anping, Tainan



2021

- Officially started to use Power Wind's operational HQ and new CIS.
- Online member service center was officially started on November 1
- Ranked in 2021 TOP5000 of the largest corporations in Taiwan and No.2 in the leisure service industry published by CRIF



2022

- Ranked in 2022 TOP5000 of the largest corporations in Taiwan and No.2 in the leisure service industry published by CRIF



3. Business Brands

As of May 31, 2023

Brand Name	Fitness Factory	S klub	Crazy Jump	Let's Roll	Body Workshop	KILL ZONE
Brand Logo						
Year of Establishment	2006	2017	2015	2016	2007	2020
Business Content	Professional services of fitness and recreational sports	Professional physical fitness for kids	Trampoline park	Bowling	Aromatherapy	Simulative shooting battle
Service Location	68 locations: Keelung city, Taipei city, New Taipei city, Taoyuan city, Hsinchu county, Hsinchu city, Miaoli county, Taichung city, Changhua county, Nantou county, Yunlin county, Chiayi county, Chiayi city, Tainan city, Kaohsiung city, Pingtung county	The site on Qinghai road, Kaohsiung city was opened on February 4, 2017	The site at SKM Park Outlets Kaohsiung Caoya was opened on May 9, 2016	The site at SKM Park Outlets Kaohsiung Caoya was opened on May 9, 2016	In "Fitness Factory" Boai in Kaohsiung city	The site in Anping district, Tainan city was opened on March 9, 2020

4. Service Locations

Region of Taipei, New Taipei, Keelung 21 sites

Taipei 5 sites: **Xinyi**, Jiankang, **Shipai**, Changchun, Zhongshan N.

New Taipei 15 sites: Sanchong, Xinzhuang, Zhonghe, Tamsui, Banqiao, **Xindian**, Tucheng, Xizhi, Xindu, **Yonghe**, **Longan**, **Luzhou**, Linkou, Xike, **Qizhang**

Keelung 1 site: Keelung

Region of Taoyuan, Hsinchu, Miaoli 11 sites

Taoyuan 5 sites: Zhongli, Dayou, Fuxin, **Jingguo**, Nankan

Hsinchu 5 sites: Zhubei, Nanya, Gongdao 5, Xida, Guangpu

Miaoli 1 site: Miaoli

Region of Taichung, Changhua, Nantou 11 sites

Taichung 8 sites: Jingming, Fengyuan, Taroko Mall, Zhongqing, Wenxin S., **Shuinan**, Fuke, Fengjia

Changhua 2 sites: Yuanlin, Jinma

Nantou 1 site: **Caotun**

Region of Yunlin, Chiayi, Tainan 9 sites

Yunlin 1 site: **Douliu**

Chiayi 2 sites: Chiayi, **Minxiong**

Tainan 6 sites: Anping, **Zhonghua**, Kaiyuan, Yonghua, **Annan**, **Chongming**



KILL ZONE in Anping district, Tainan

Region of Kaohsiung, Pingtung 16 sites

Kaohsiung 14 sites: **Boai**, Jiuru, Sanduo, Wufu, Fengshan, Caoya, **Gangshan**, **Haipao**, Tongmeng, Nanzi, **Universal**, Gangshan S., **Fuhua**, **Xiaogang**

Pingtung 2 sites: Pingtung, Chaozhou



S klub - Kaohsiung Qinghai



Crazy Jump and Let's Roll - SKM Park Outlets Kaohsiung Caoya



Fitness Factory
as of May 31, 2023:

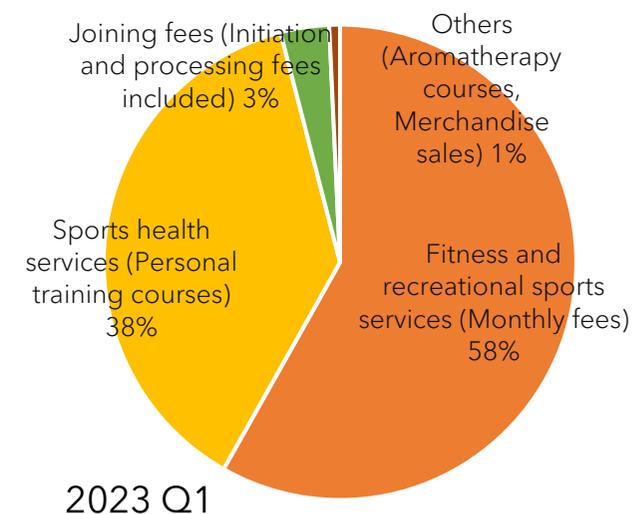
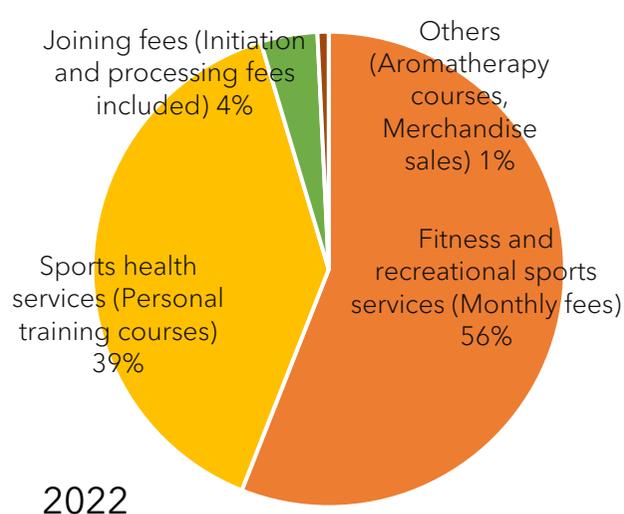
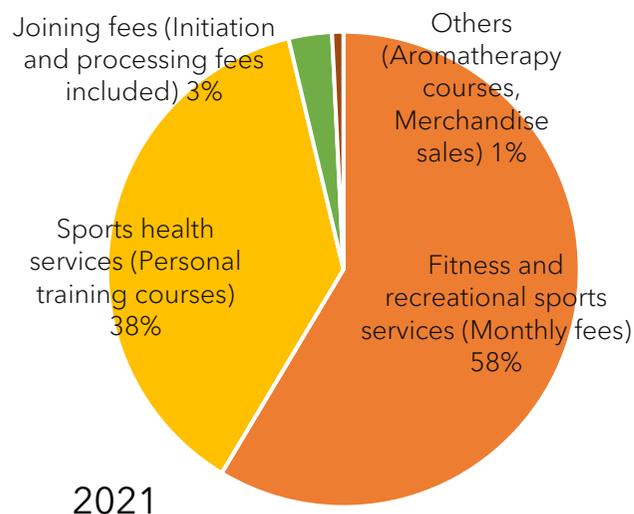


68 sites

5. Breakdown of Operating Revenues

Unit: NT\$ Thousand

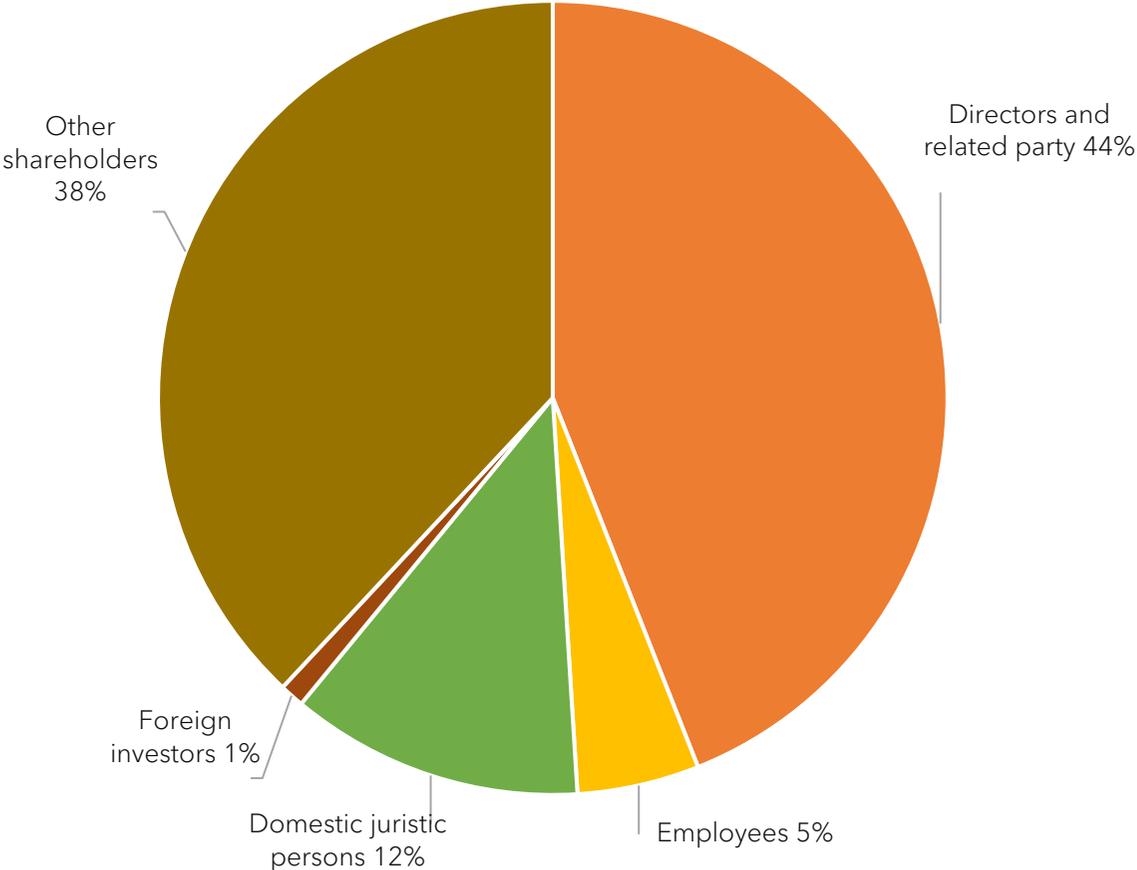
Item of Consolidated Revenues / Period	2021	2022	2023 Q1
Fitness and recreational sports services (Monthly fees)	1,527,548	2,019,512	553,113
Sports health services (Personal training courses)	980,977	1,419,292	358,648
Joining fees (Initiation and processing fees included)	77,360	139,996	31,604
Others (Aromatherapy courses, Merchandise sales)	20,092	27,603	6,963
Total	2,605,977	3,606,403	950,328



6. Shareholders Composition



As of April 2, 2023



7. Board Members

Title	Name	Shareholding (April 2, 2023)		Main experience & education background	Current duties in the Company and other companies
		Shares	%		
Chairman	George Chen	4,220,895	5.31%	<ul style="list-style-type: none"> ■ Chemical Engineering, University of California, Berkeley, U.S. ■ CEO, Power Wind Health Industry Incorporated ■ Sales Manager, Shanghai branch, Varian Semiconductor Equipment Associates, Inc. 	<ul style="list-style-type: none"> ■ CEO & CSO of the Company ■ Chairman, Bo Xin Health Industry Incorporated
Director	John Chen	1,351,097	1.70%	<ul style="list-style-type: none"> ■ International Business, Holy Names College, U.S. ■ President & COO, Power Wind Health Industry Incorporated ■ President, Extreme Fitness Center ■ Vice President, California Fitness Center ■ Sales Manager, Tao Chi Health Club 	<ul style="list-style-type: none"> ■ CBO of the Company ■ Director, Bo Xin Health Industry Incorporated
Director	Jia Yong Investment and Development Co., Ltd.	21,751,989	27.38%	-	-
	Representative: Yu-Tung Chen	-	-	<ul style="list-style-type: none"> ■ Dept. of Healthcare Administration, I-Shou University ■ Special assistant of Chairman, Jia Yong Investment and Development Co., Ltd. 	<ul style="list-style-type: none"> ■ Special assistant of chairman, Jia Yong Investment and Development Co., Ltd.
Director	Su-Chi Chang	959,854	1.21%	<ul style="list-style-type: none"> ■ Pasadena City College, U.S. ■ Teacher, Genius English ■ Assistant of City council member, Kaohsiung City 	-

7. Board Members (Cont.)

Title	Name	Shareholding (April 2, 2023)		Main experience & education background	Current duties in the Company and other companies
		Shares	%		
Independent Director	Shang-Pao Yeh	-	-	<ul style="list-style-type: none"> ■ Doctor of Management, Webster University, U.S. ■ Master of Public Administration, University of Southern California, U.S. ■ MBA in Accounting and Finance, Northrop University, U.S. ■ Professor, Dept. of Hospitality and M.I.C.E. Marketing Management, National Kaohsiung University of Hospitality and Tourism ■ Professor, Dept. of Tourism, I-Shou University (Former Dean of College of Tourism and Hospitality, Former Dean of Student Affairs, Former Associate Dean of International College) ■ Associate Professor and Chair, Dept. of Leisure Management, I-Shou University ■ Associate Professor, Chair and Director, Dept. of International Business Administration, Leader University ■ Associate Professor, Dept. of International Business Administration, Wufeng University ■ Lecturer, Department of Business Administration, Shih Chien University (Kaohsiung Campus) 	<ul style="list-style-type: none"> ■ Professor, Dept. of Hospitality and M.I.C.E. Marketing Management, National Kaohsiung University of Hospitality and Tourism
Independent Director	Chi-Shan Hung	-	-	<ul style="list-style-type: none"> ■ Director-general, National Taxation Bureau of Kaohsiung, M.O.F. ■ Director-general, National Taxation Bureau of the Southern Area, M.O.F. ■ Deputy Minister, Taxation Administration, M.O.F. ■ Adjunct Lecturer, Dept. of Accountancy, National Cheng Kung University 	<ul style="list-style-type: none"> ■ Independent Director, Hua Yu Lien Development Co., Ltd. ■ Independent Director, Ping Ho Environmental Technology Co., Ltd. ■ Representative of Juristic Person Director, Flexium Interconnect, Inc. ■ Independent Director, Chung Tai Resource Technology Corp.

7. Board Members (Cont.)

Title	Name	Shareholding (April 2, 2023)		Main experience & education background	Current duties in the Company and other companies
		Shares	%		
Independent Director	Guan-Ye Huang	-	-	<ul style="list-style-type: none"> ■ Master of Business Administration, Washington State University, U.S. ■ Bachelor of Arts in Business Administration, Washington State University, U.S. ■ Chairperson, Kuannyi Construction, Ltd. ■ Chairperson, Kuannwei Construction, Ltd. ■ Director, Kaohsiung American School ■ Club President, Rotary Club of Kaohsiung Lighthouse ■ Project Manager, Pacific Northwest National Labs 	<ul style="list-style-type: none"> ■ Chairperson, Kuannyi Construction, Ltd. ■ Chairperson, Kuannwei Construction, Ltd.

 Note: Both Audit Committee and Remuneration Committee comprise three seats of Independent Directors

8. Management Team

Title	Name	Shareholding (April 2, 2023)		Main experience & education background	Current duties in the Company and other companies
		Shares	%		
Chairperson & CEO & CSO	George Chen	4,220,895	5.31%	<ul style="list-style-type: none"> ■ Chemical Engineering, University of California, Berkeley, U.S. ■ CEO, Power Wind Health Industry Incorporated ■ Sales Manager, Shanghai branch, Varian Semiconductor Equipment Associates, Inc. 	<ul style="list-style-type: none"> ■ Chairman, Bo Xin Health Industry Incorporated
President & Head, Dept. of Business Development	Allen Lin	137,446	0.17%	<ul style="list-style-type: none"> ■ Master, Graduate Institute of Leisure and Recreation Management, National Chiayi University ■ Dept. of Land Management, Feng Chia University ■ Administration Manager & Operations manager, Power Wind Health Industry Incorporated ■ Marketing specialist, Nan Yuan Garden Resort Farm ■ Marketing specialist, Fleur de Chine Hotel 	<ul style="list-style-type: none"> ■ President, Bo Xin Health Industry Incorporated
CBO	John Chen	1,351,097	1.70%	<ul style="list-style-type: none"> ■ International Business, Holy Names College, U.S. ■ President & COO, Power Wind Health Industry Incorporated ■ President, Extreme Fitness Center ■ Vice President, California Fitness Center ■ Sales Manager, Tao Chi Health Club 	<ul style="list-style-type: none"> ■ Director, Bo Xin Health Industry Incorporated

8. Management Team (Cont.)

Title	Name	Shareholding (April 2, 2023)		Main experience & education background	Current duties in the Company and other companies
		Shares	%		
COO & Head, Dept. of New Ventures	Eli Ho	161,069	0.20%	<ul style="list-style-type: none"> ■ EMBA of College of Management, National Sun Yat-Sen University ■ Executive vice president, Fitness Factory Business Center, Director, Trainer division, Power Wind Health Industry Incorporated ■ Manager, Trainer division, Extreme Fitness Center ■ Senior personal trainer, California Fitness Center 	-
CFO & Spokesperson & CGO	Alex Miao	42,972	0.05%	<ul style="list-style-type: none"> ■ Master of Business Administration, National Sun Yat-Sen University ■ Dept. of Business Administration, National Cheng Kung University ■ Senior manager, Dept. of Capital markets, SinoPac Securities ■ Specialist, Marketing division, Total Nutrition Technologies Co., Ltd. 	<ul style="list-style-type: none"> ■ Supervisor, Shang-Yi Intelligent Investment Co., Ltd.
Vice President, Dept. of Membership Affairs	Randy Chen	349	0.00%	<ul style="list-style-type: none"> ■ Graduated from Taipei Municipal Jianguo High School ■ Director, Membership and Development division, Power Wind Health Industry Incorporated ■ Consultant, Pure Yoga ■ Manager, Park Hotel ■ Fitness consultant, California Fitness Center 	-

8. Management Team (Cont.)

Title	Name	Shareholding (April 2, 2023)		Main experience & education background	Current duties in the Company and other companies
		Shares	%		
Vice President, Dept. of Physical Fitness	Nick Chu	51,083	0.06%	<ul style="list-style-type: none"> ■ Dept. of Banking and Insurance, Tatung Institute of Technology ■ Regional manager, Physical Fitness division, Power Wind Health Industry Incorporated ■ Manager, Trainer division, World Gym 	-
Vice President, Dept. of Operations	Jay Chen	60,990	0.08%	<ul style="list-style-type: none"> ■ Riverside Community College, U.S. ■ Operations director, Le Wellness Co., Ltd. ■ Manager, Operations division, Royal Yoga Co., Ltd. ■ Manager, Operations division, True Concept Limited 	-
Vice President, Dept. of General Management	Annie Kung	75,772	0.10%	<ul style="list-style-type: none"> ■ Dept. of Finance, National Yunlin University of Science and Technology ■ Manager, Dept. of Finance, Power Wind Health Industry Incorporated ■ Finance specialist, Jian Shan Construction Co., Ltd. ■ Finance specialist, Hua Da Fishing Co., Ltd. 	-

8. Management Team (Cont.)

Title	Name	Shareholding (April 2, 2023)		Main experience & education background	Current duties in the Company and other companies
		Shares	%		
Vice President, Dept. of Marketing	Apple Ueng	0	0%	<ul style="list-style-type: none"> ■ Master's degree in Marketing, University of East Anglia, U.K. ■ Manager, Dept. of Marketing, Power Wind Health Industry Incorporated ■ Manger, E-commerce division, Starlike International Ltd. ■ Category manager, Sports line, Yahoo Qimo Super Mall ■ Database marketing assistant manager, Marketing and product development division, Ding Ding Integrated Marketing Service Co., Ltd. (Happy Go) 	-
Manager, Audit Office	Pei Tsai	15,552	0.02%	<ul style="list-style-type: none"> ■ Master of Science in Accounting, The University of Texas at Dallas, U.S. ■ Dept. of Accounting, Soochow University ■ Auditor, Wah Lee Industrial Corp. ■ Auditor, PwC Taiwan 	-

II. Current Industry Conditions & Status of Power Wind

1. Upstream, Midstream, and Downstream Sectors of Sports and Leisure Industry
2. Current Status of Fitness Industry in Taiwan
3. Fitness Market Size in Taiwan
4. Statistics of Exercising Population in Taiwan
5. Status of Power Wind
6. Competitors Analysis

1. Upstream, Midstream, and Downstream Sectors of Sports and Leisure Industry

Upstream sector

- **Manufacturing industry of sports accessories or facilities**

Johnson, Dyaco, Chi Hua, Pou Chen, Feng Tay, Fusheng Precision, Advanced Group, Launch Tech, O-TA, Dynamic, Giant, Merida, Ideal, Alexander Marine

- **Construction industry of fitness facilities**

Midstream sector

- **Industry of sport venue**

Power Wind: Membership-based fitness center chains
Power Wind, Bonny-KY, Taroko, Argo Yachts

- **Wholesale and retail industry of sports accessories or facilities**

Dacome

Downstream sector

- General customers
- Members
- High-performance athletes

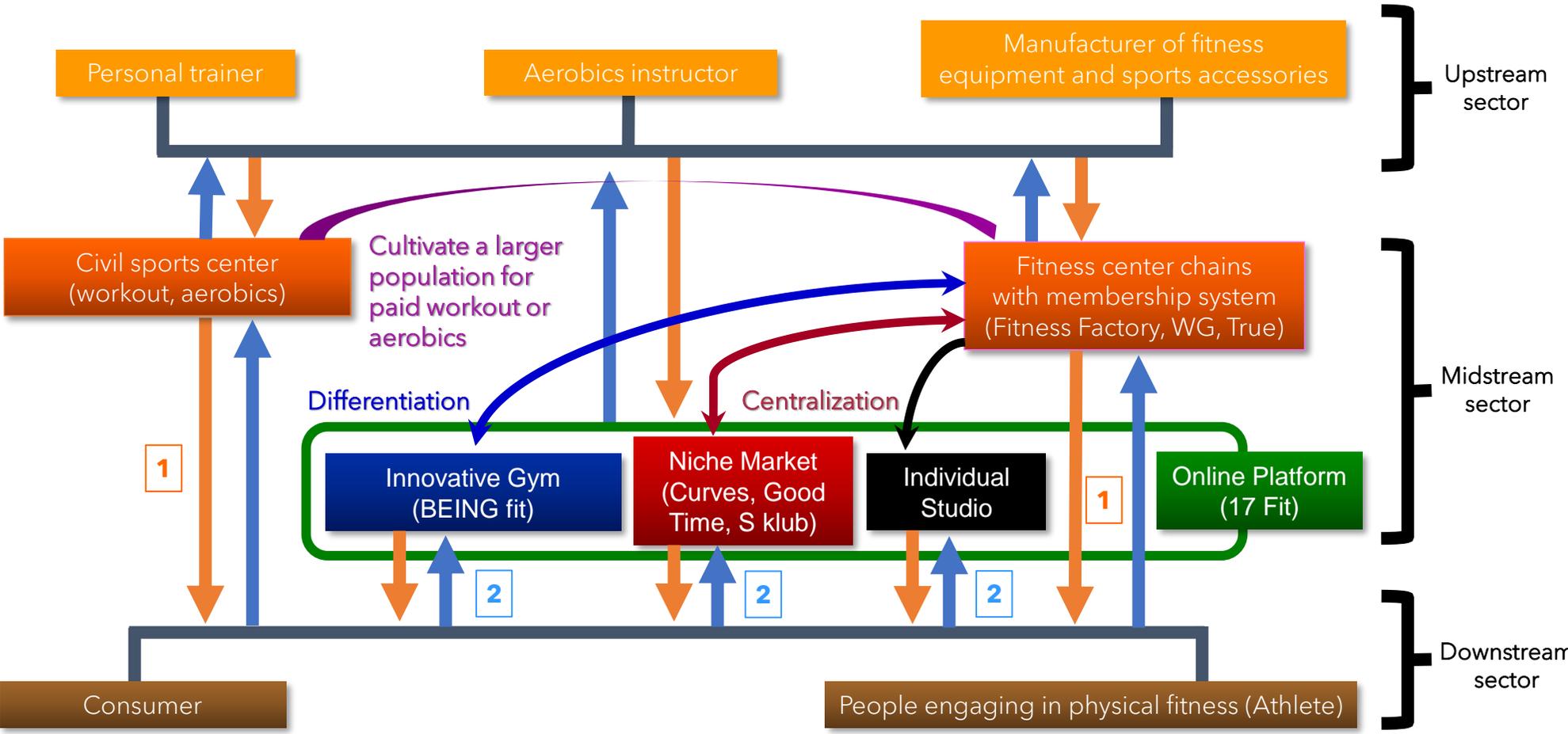


Data source: "Contents and Scopes of Sports Industry" released by Sports Administration, M.O.E. on March 23, 2012

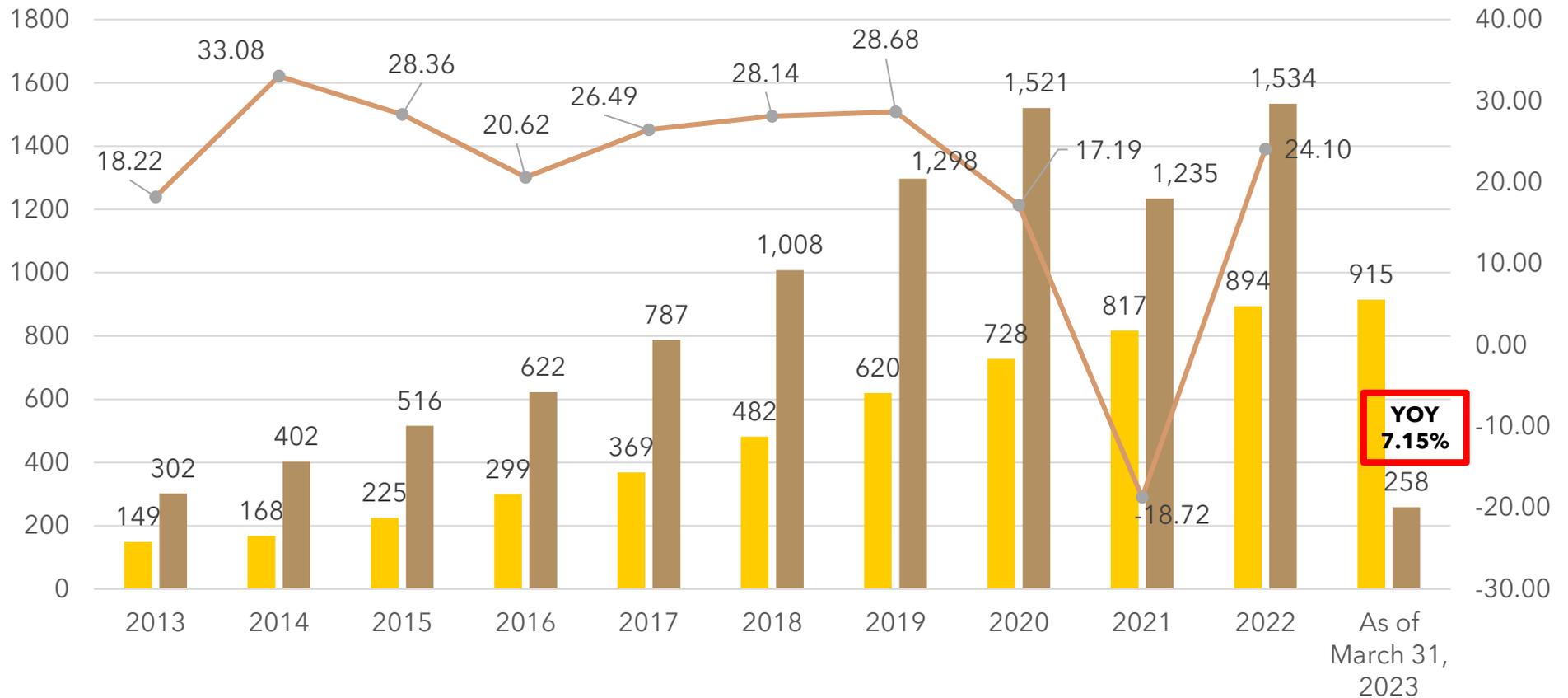


2. Current Status of Fitness Industry in Taiwan

↓ **1** Supply
 1-Step: Supply Creates Demand
↑ **2** Demand
 2-Step: Demand Stimulates Supply



3. Fitness Market size in Taiwan



■ Total number of profit-seeking enterprises as of the year-end (Unit: Institution)
■ Total revenue of the year (Unit: NT\$10 million)
—●— Revenue Growth Rate (%)

Data Source: Statistics from M.O.F., SIC-9312-19 Fitness Center, Health Club

4. Statistics of Exercising Population in Taiwan

Unit: Thousand ppl.; %

Statistics of People Engaging in Paid Fitness and Sports in Taiwan										
Analysis Item	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Number of registered residents aged 15 or over in Taiwan (Note 1)	20,026	20,156	20,304	20,397	20,479	20,540	20,592	20,597	20,485	20,445
Ratio of people engaging in regular exercise	82.1%	82.4%	83.0%	82.3%	85.3%	83.1%	83.6%	82.8%	80.2%	81.8%
Number of people engaging in regular exercise	16,441	16,609	16,852	16,787	17,469	17,069	17,215	17,054	16,429	16,724
Ratio of people who choose Go to the Gym item as the most frequent exercise	1.7%	2.4%	3.1%	3.3%	3.3% (Note 3)	3.9%	6.1%	5.3%	4.8%	6.1%
Number of people doing exercise in the gym in Taiwan (Note 2)	280	399	522	554	576	666	1,050	904	789	1,020
Ratio of people doing exercise in the gym to the population aged 15 or over	1.40%	1.98%	2.57%	2.72%	2.81%	3.24%	5.10%	4.39%	3.85%	4.99%

Data source: "2013-2015 Surveys of Sports City and 2016-2022 Surveys of Exercise Conditions" conducted by academic institutions which designated by Sports Administration, M.O.E.

Note 1: Statistics of registered residents aged 15 and over in Taiwan as of December 31 of the year by Dept. of Household Registration, M.O.I.

Note 2: Number of people doing exercise in the gym in Taiwan was calculated as **【Number of registered residents aged 15 or over in Taiwan as of December 31 of the year (Note 1)】** ×

【Ratio of people engaging in regular exercise】 × **【Ratio of people who choose Go to the Gym item as the most frequent exercise】**

Note 3: In "2017 Survey of Exercise Conditions" conducted by Gallup Poll which designated by Sports Administration, M.O.E., it did not reveal the item of 'Go to the Gym' on the question of the most frequent exercise, thus the number was adapted to "2016 Survey of Exercise Conditions" conducted by Shih-Hsin University which designated by Sports Administration, M.O.E.

5. Status of Power Wind



2022
Market
Share

Estimated by Revenues

24%

Unit: NT\$ Thousand

Analysis Item	Revenue
Consolidated revenues of Power Wind and Subsidiary	3,606,403
Revenue of domestic fitness centers and health clubs	15,337,428
Market Share	23.51%

6. Competitors Analysis

 Data Source: Inquiry system of business registration info by M.E.A., each company's website

 As of May 31, 2023, data collected by Power Wind

Brand Name	Fitness Factory	World Gym	True Yoga · Fitness	BEING sport / BEING fit
Company Name	Power Wind Health Industry Incorporated	Hong Kong World Gym Co., Ltd.	True Health Industry Co., Ltd.	BEING Co., Ltd.
Company Type	Local Enterprise; Public Listed Company	Foreign Company	Overseas Chinese Capital	Local Company
Brand Logo				
Date of Establishment	October 2005	June 2006	August 2005	April 2003
Paid-in Capital	NT\$794,434 Thousand	Domestic operating capital NT\$111,200 Thousand	NT\$18,000 Thousand	NT\$15,000 Thousand
Service Item	Professional fitness, trampolining and bowling, simulated shooting game	Professional fitness	Professional fitness and yoga	Professional fitness
Operating Site	<p>68 sites of Fitness Factory: Keelung city(1), Taipei city(5), New Taipei city(15), Taoyuan city(5), Hsinchu county(1), Hsinchu city(4), Miaoli county(1), Taichung city(8), Changhua county(2), Nantou county(1), Yunlin county(1), Chiayi county(1), Chiayi city(1), Tainan city(6), Kaohsiung city(14), Pingtung county(2)</p> <p>1 site of S klub: In Kaohsiung city 1 site of Crazy Jump: In Kaohsiung city 1 site of Let's Roll: In Kaohsiung city 1 site of KILL ZONE: In Tainan city</p>	<p>91 sites of World Gym: Keelung city(1), Taipei city(21), New Taipei city(15), Taoyuan city(9), Hsinchu county(1), Hsinchu city(3), Miaoli county(2), Taichung city(14), Nantou county(1), Changhua county(3), Yunlin county(1), Chiayi city(1), Tainan city(7), Kaohsiung city(7), Pingtung county(2), Hualien county(1), Yilan county(2)</p> <p>23 sites of Express: Taipei city(5), New Taipei city(4), Taoyuan city(2), Taichung city(5), Tainan city(2), Kaohsiung city(3), Pingtung county(2)</p> <p>3 sites of Fit Zone: Taipei city(2), Taichung city(1)</p>	<p>12 sites of True Fitness: Taipei city(6), New Taipei city(2), Taoyuan city(2), Taichung city(1), Chiayi city(1)</p> <p>1 site of True Yoga: In Taichung city 1 site of Yoga Edition: In Taipei city</p>	<p>5 sites of BEING sport: Taipei city(2), Tainan city(1), Kaohsiung city(2)</p> <p>4 sites of BEING fit: Taipei city(2), Taichung city(2)</p>

III. Operating Performance and Glories of Power Wind

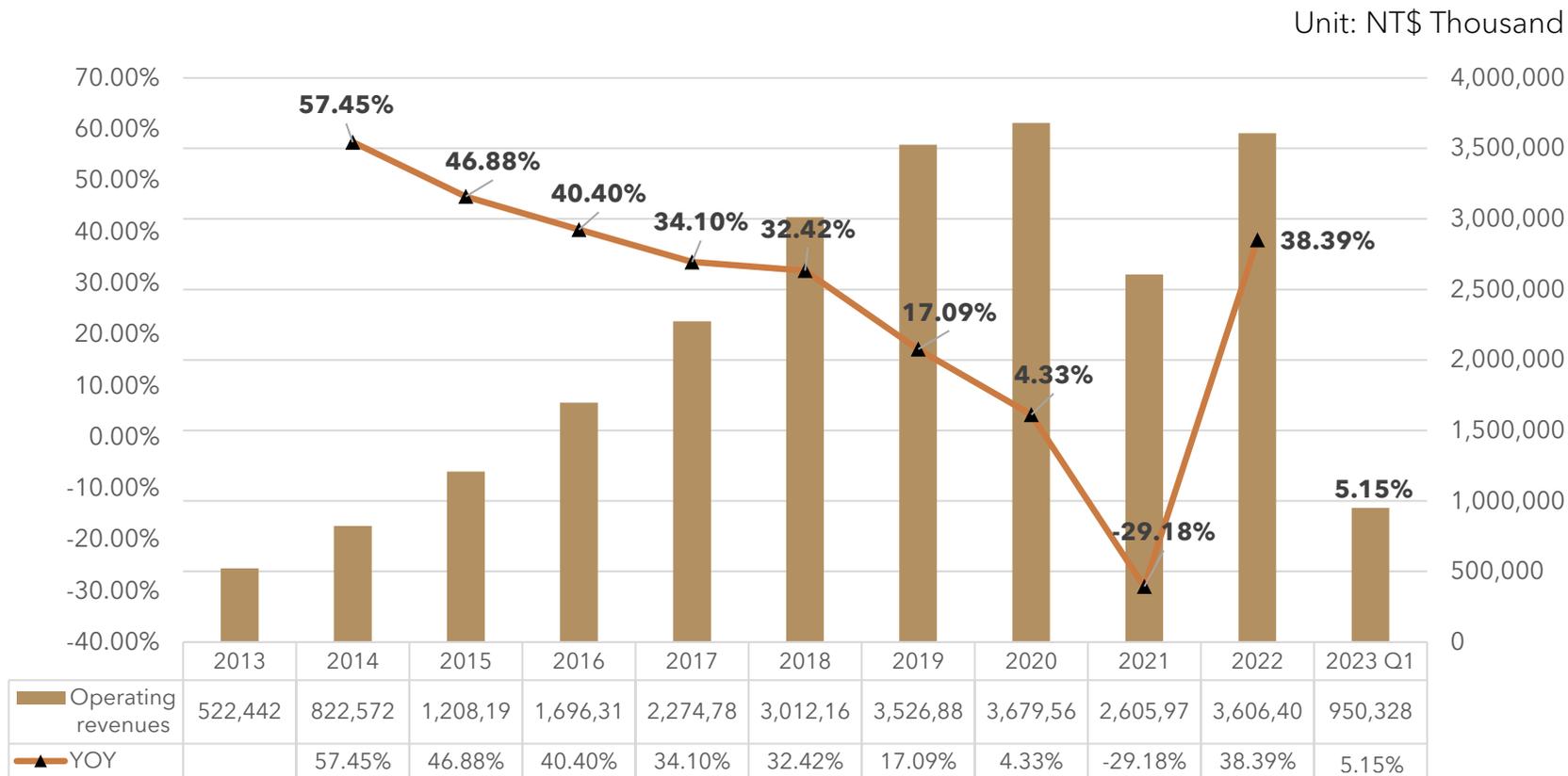
1. Operating Revenues
2. Operating Income
3. EBDA & EBITDA
4. Earnings Per Share
5. Number of Members & Operating sites
6. Glories of Power Wind

1. Operating Revenues



Operating Revenues
2022 YOY

+38%



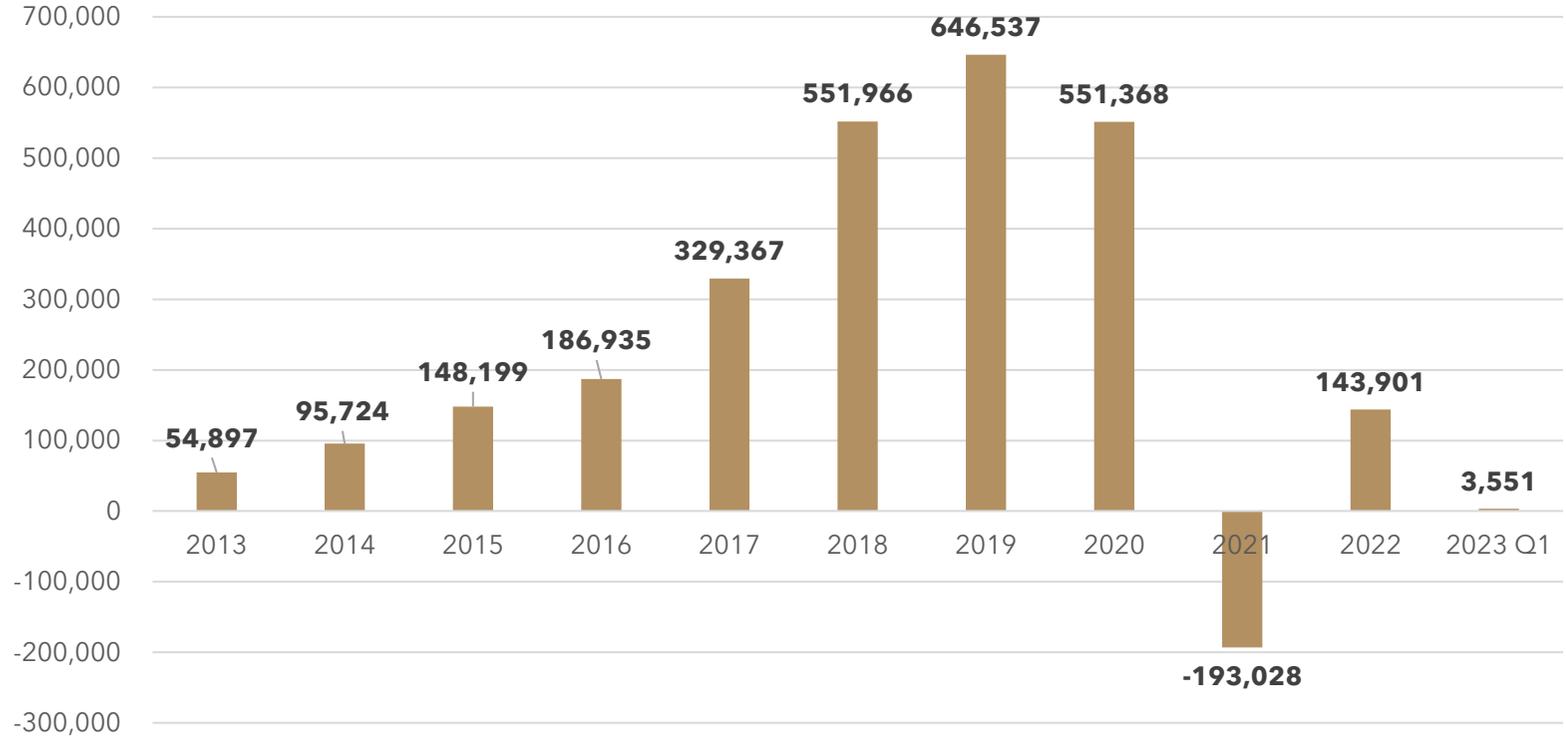
2. Operating Income



Unit: NT\$ Thousand

Operating
Income as of
2022 YOY

+175%



3. EBDA & EBITDA



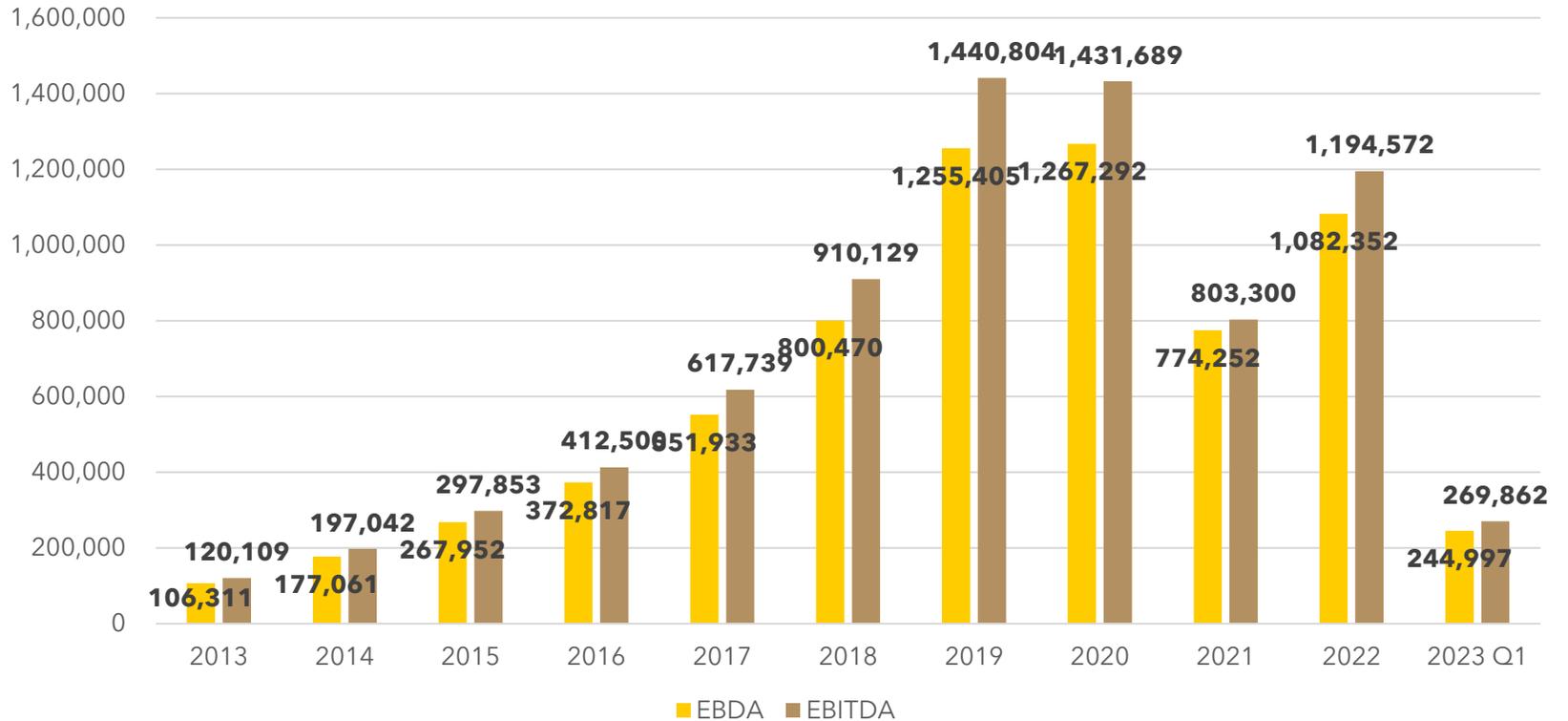
EBDA as of
2022 YOY

+40%

EBITDA as of
2022 YOY

+49%

Unit: NT\$ Thousand

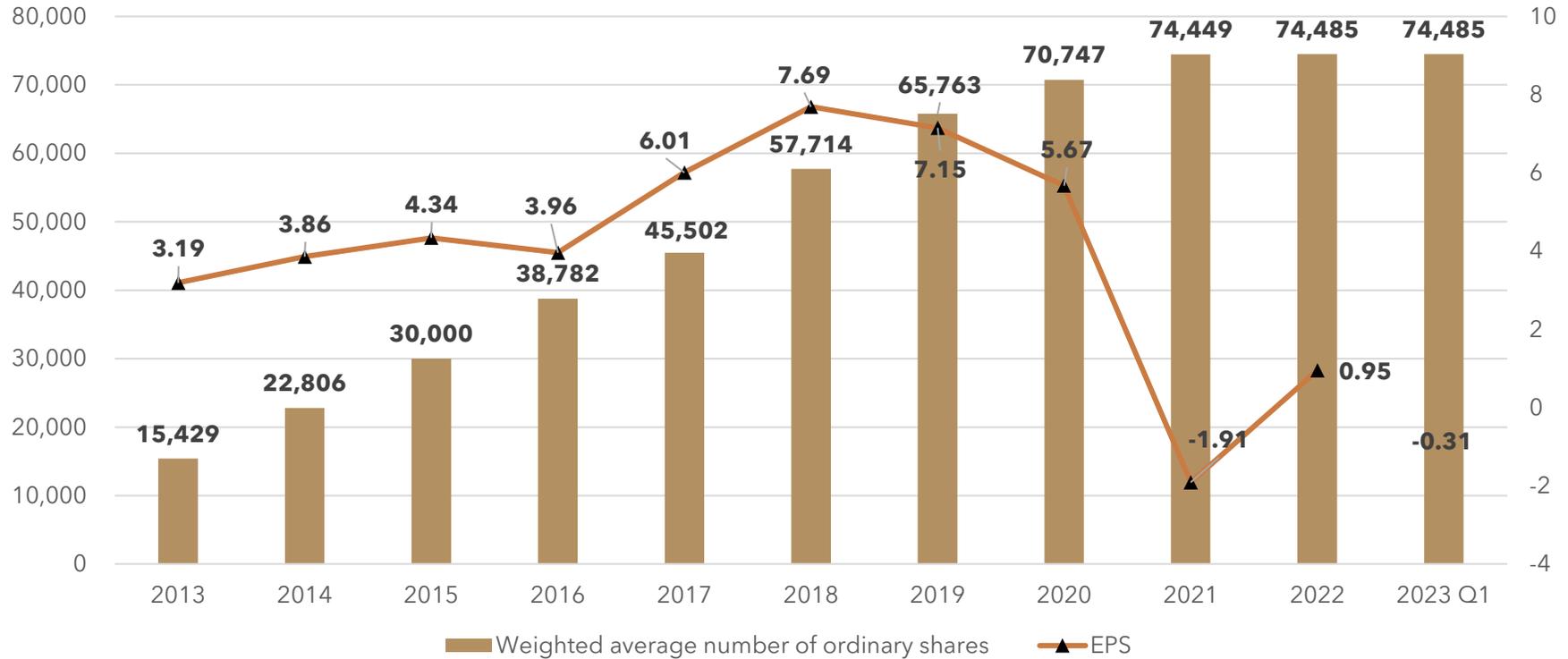


Note: EBDA (Consolidated Earnings Before Depreciation and Amortization)
EBITDA (Consolidated Earnings Before Interest, Taxes, Depreciation, and Amortization)

4. Earnings Per Share

Unit: Thousand shares

Unit: NT\$



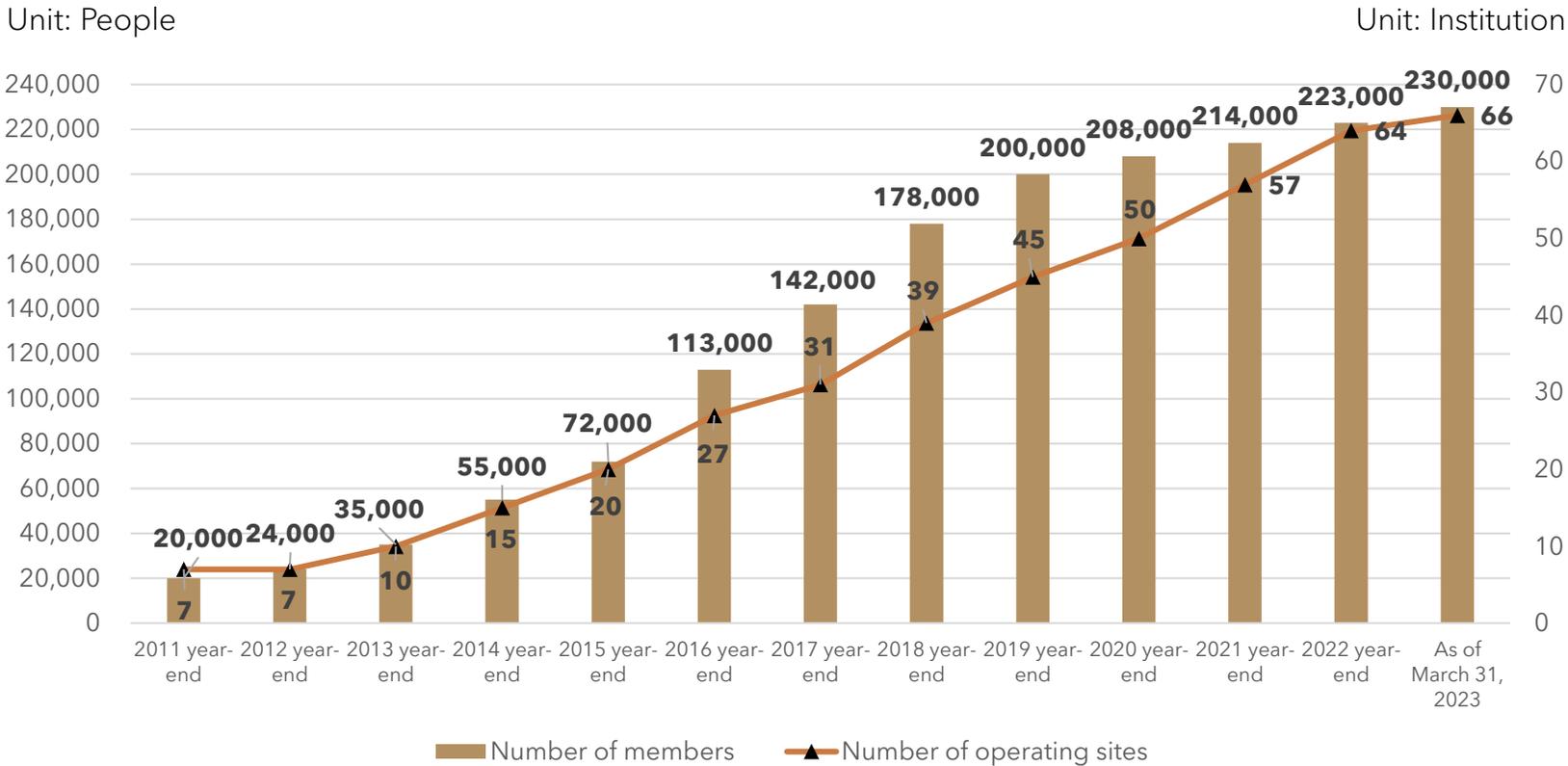
Note: There is no retrospective application on weighted average number of common shares and EPS

5. Number of Members & Operating sites



Number of Fitness Factory members as of Mar. 31, 2023 YOY
+6.98%

Number of Fitness Factory members as of Mar. 31, 2023
230K



6. Glories of Power Wind



IHRSA recognized **"Fitness Factory" as the most innovative fitness club in Asia-Pacific region in 2013**

Note: IHRSA (International Health, Racquet & Sportsclub Association)



According to the growth rate of net income after tax, eps and champion stock in each category in 2017, Global Views Monthly and Taiwan Economic Journal (TEJ) released **"GPS Evaluation of Enterprises,"** in which they reviewed a list of 1663 public listed enterprises **Power Wind was ranked No.45 among top 58 Growth Champions**

Note: Standards for a Growth Champion include the growth rate of net income after tax $\geq 50\%$, positive growths in revenue, gross margin $> 10\%$



In 2018, **"Fitness Factory" obtained the SGS QualiCert international service quality certificate**, which was the 1st fitness brand to win this recognition in Taiwan and Asia region



In 2020 survey of *Top 2000 Enterprises* by CommonWealth Magazine, according to the business outcome in 2019, **Power Wind was ranked No.327 among the 650 major companies in service industry; No.8 among the medicine and health services industry.**

Note: Ranked No.361 in 2018, No.419 in 2017, No.508 in 2016, and No.605 in 2015 among the 650 major companies in service industry.



In Power Wind, the median and average of the salary of full-time employees who did not take managerial positions in 2020, which were ranked No.1 among the public listed - tourism business category



In **2022 TOP 5000 - The Largest Corporations in Taiwan** by CRIF, Power Wind was in **TOP 5000** and **ranked No. 2 in leisure service** industry for two consecutive years

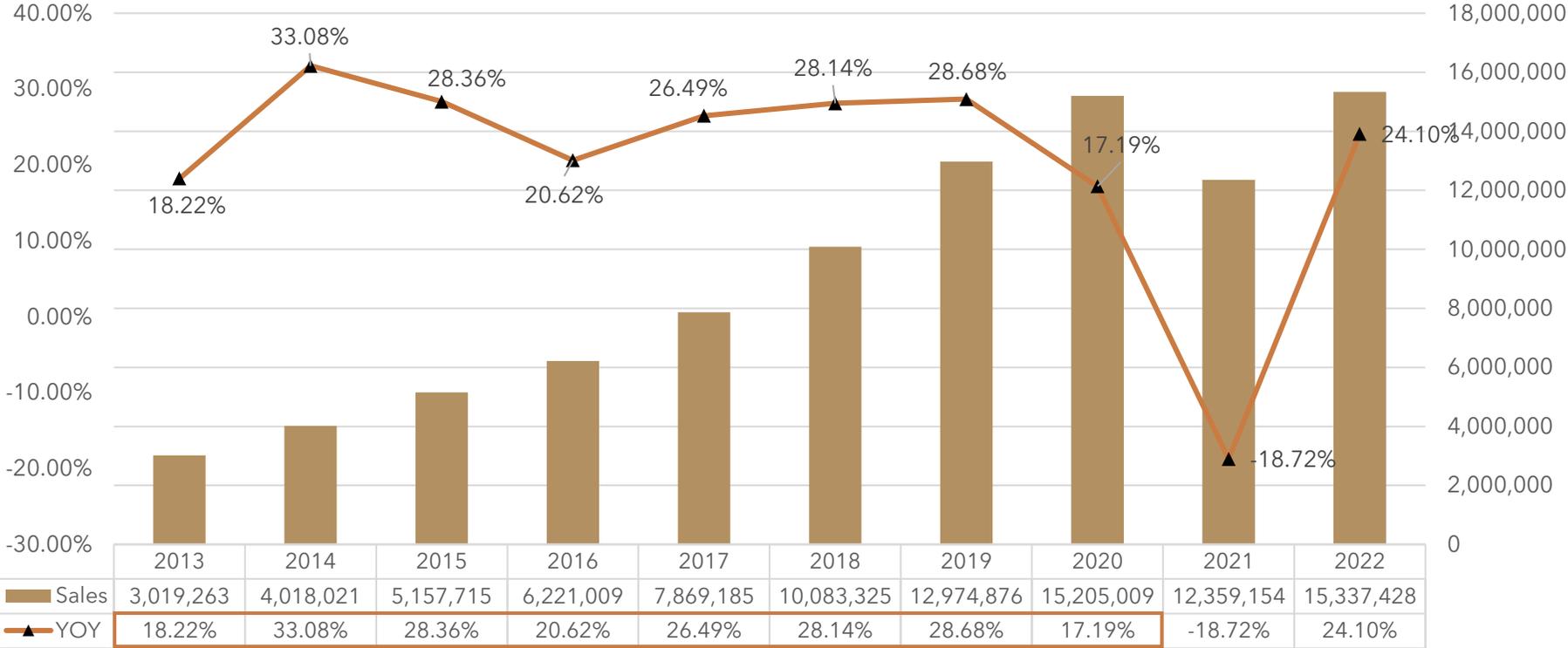


IV. Operating Prospects

1. Rapid Growth of Fitness Market in Taiwan
2. Membership Penetration Rate of Health Clubs in Asia-Pacific Countries
3. Statistics of Potential Workout Population in Taiwan
4. Statistics of Potential Fitness Market Size in Taiwan
5. Barriers to Entry
6. 2023 Distribution Plan
7. Future Development Strategies
8. ESG Promotion Plan

1. Rapid Growth of Fitness Market in Taiwan

Unit: NT\$ Thousand



CAGR
(Compound Annual
Growth Rate)

+25%

2. Membership Penetration Rate of Health Clubs in Asia-Pacific Countries

Membership Penetration Rate of Health Clubs in Asia-Pacific Countries													
Region	Taiwan	South Korea	Hong Kong	Singapore	Japan	Mainland China (Top 10 Cities)	Australia	New Zealand	Malaysia	Philippines	Thailand	Vietnam	Indonesia
Sales amount (Unit: US\$ Million)	407	2,580	396	352	3,943	3,944	2,831	405	201	256	233	186	271
Total number of clubs (Unit: Institution)	300	6,590	180	200	4,950	1,767	3,715	690	375	950	600	640	370
Total number of members (Unit: Thousand people)	710	3,750	430	320	4,240	4,520	3,730	650	330	530	350	440	470
Penetration rate of membership (%)	2.99	7.25	5.85	5.76	3.33	2.98	15.30	13.60	1.04	0.53	0.50	0.50	0.18

 Data Source: IHRSA (International Health, Racquet & Sportsclub Association) 2019 Global Report; 2018 Report of Industry Research

3. Statistics of Potential Workout Population in Taiwan

Number of People who Workout at Home in Taiwan	
Analysis Item	People
Number of registered residents aged 15 or over in Taiwan as of December 31, 2022	20,445,471 ppl.
Ratio of people engaging in regular exercise	81.8% (Note)
Number of people engaging in regular exercise	16,724,395 ppl.
Number of people who do regular exercise, but the exercising item other than "Go to the gym"	15,704,207 ppl.
Ratio of people who choose "Workout at home (Sit-ups, Push-ups, Split Lunges, Jump Ropes, Stair Climbing and so on)" item as the most frequent exercise	12.8% (Note)
Number of People who Workout at Home in Taiwan	2,140,723 ppl.

 Note: "2022 Survey of Exercise Conditions" conducted by Shih Hsin University which designated by Sports Administration, M.O.E.

4. Statistics of Potential Fitness Market Size in Taiwan

Taoyuan City, Hsinchu County & City, Miaoli County

Population: 3,861,460 ppl.
Potential workout population: 272,000 ppl.
Potential market size of gyms: 81
Number of Fitness Factory: 11
Number of World Gym: 18

Taichung City, Changhua County, Nantou County

Population: 4,546,942 ppl.
Potential workout population: 250,000 ppl.
Potential market size of gyms: 70
Number of Fitness Factory: 11
Number of World Gym: 23

Yunlin County, Chiayi County & City, Tainan City

Population: 3,269,761 ppl.
Potential workout population: 149,000 ppl.
Potential market size of gyms: 38
Number of Fitness Factory: 9
Number of World Gym: 11



Taipei City, New Taipei City, Keelung City

Population: 6,860,388 ppl.
Potential workout population: 587,000 ppl.
Potential market size of gyms: 142
Number of Fitness Factory: 21
Number of World Gym: 48

Yilan County, Hualian County, Taitung County

Population: 980,612 ppl.
Potential workout population: 28,000 ppl.
Potential market size of gyms: 8
Number of Fitness Factory: 0
Number of World Gym: 3

Taiwan Region (excluding Kinmen County and Lienchiang County)

Population: 23,157,404 ppl.
Potential workout population: 1,500,000 ppl.
Penetration rate of workout population: 6.5%
Potential market size of gyms: 392
Number of Fitness Factory: 68
Number of World Gym: 117

Kaohsiung City, Pingtung County, Penghu County

Population: 3,638,241 ppl.
Potential workout population: 214,000 ppl.
Potential market size of gyms: 53
Number of Fitness Factory: 16
Number of World Gym: 14

Note: "Potential market size of gyms" estimates the number of gyms which could accommodate 3,000 ppl. or more in that region

As of May 31, 2023

 Laws & Regulations

1. Stricter terms of Standard form contract
2. Payment in advance trust (prepaid membership + personal training courses)
3. Legal operating of the venue
4. Indoor Air Quality Act

 Professional Talents

 High Capex

1. Large amount of investment
2. Long payback period
3. High rent affordability



6. 2023 Distribution Plan

Region of Taichung, Changhua, Nantou 2 sites

Taichung City A (Will open in 2023 Q4)
Taichung City B (Will open in 2023 Q4)

Region of Kaohsiung, Pingtung 2 sites

Kaohsiung City Xiaogang (Opened in March 2023)
Kaohsiung City Guanghua (Will open in 2023 Q3)



Region of Taipei, New Taipei, Keelung 4 sites

New Taipei City Qizhang (Opened in March 2023)
Taipei City Zhongshan North (Opened in April 2023)
Keelung City Keelung (Opened in April 2023)

Region of Yilan, Hualien, Taitung 1 site

Yilan County Luodong (Will open in 2023 Q4)

As of May 31, 2023:



68 sites

In 2023, set up:



8 sites



Kaohsiung City Guanghua 2023 Q3
Yilan County Luodong 2023 Q4
Taichung City A 2023 Q4
Taichung City B 2023 Q4

Aim to own 80 operating sites in total as of 2024 year-end

7. Future Development Strategies

Upstream Trainer / Aerobics instructor

- ◉ **Integrate resources of personal trainers**
Deepen industry-academia collaboration, Strengthen campus recruitment, Promote contractual system
- ◉ **Intensify promotion of "Physical Fitness Development Association"**
Provide more professional training programs, Import international certificate system for physical fitness trainers



Midstream Fitness Factory

- ◉ **Continue to expand new sites**
Increase the market share
- ◉ **Strengthen digital platform - Fitness Factory's application**
Continue to provide members a broad range of services on fitness training and diet plans
- ◉ **Follow up the latest fitness trends**
Opportunely promote thematic training courses
- ◉ **Optimize smart services**
Strengthen online services, Improve management effectiveness
- ◉ **Develop a wide variety of products and services, Build up an ecommerce platform**
- ◉ **Cross-industry collaboration, create a co-branded win-win**

Downstream Member / Customer

- ◉ **Continue to increase members satisfaction rate**
→ **Effectively raise contract renewal rate and member retention rate**
- ◉ **Actively convey "the importance of fitness" and "the brand value of Fitness Factory" to consumers**
→ **Create incentives to join "Fitness Factory"**
- ◉ **Increase the penetration rate of members buying "personal trainer courses" and "products"**
→ **Efficiently enhance "Average Revenue Per Member"**
- ◉ **Cross-industry marketing collaboration, expand opportunities for customers to participate and experience**

8. ESG Promotion Plan

- Bilingual information disclosure in capital market
- Enhance information transparency
- Narrow the gap of information disclosure
- Protect members' interests
- Maintain shareholders' equity



- Diversity of Board members
- Strengthen independent directors' functions
- Appoint corporate governance officer
- Appoint Chief Information Security Officer



Economy

Environmental

Governance

Social



- Adopt energy-saving devices and architectural designs
- Implement paper-usage reduction policy
- Respond to Earth Hour | 60+ and turn off lights for an hour
- Promote *Restore Our Earth* events Beach and mountain cleanup - CO₂ fat loss plan



給他們三餐無虞
快樂長大的機會



- Promote a friendly working environment
- Promote exercise at every age
- Sponsor charitable events and sports activities
- Provide opportunities of industry-academia collaborations



V. Conclusion

1. View on Market / View on Business / Niche Point



1. View on Market / View on Business / Niche Point



View on Market

1. "Sport" is definitely good business! "Sport" is one of few important industries, which arouses people's passion in different countries and touches people's hearts, which generates significant economic benefits.
2. Fitness industry in Taiwan is still in the growth stage. The **"population penetration rate"** of people paying for fitness and exercise will continue to increase to the level of Hong Kong and Singapore, **reaching 6%**.
3. According to the latest population projections report released by National Development Council, in 2025, Taiwan will enter the "super-aged society" phase. (People over the age of 65 make up over 20% of population) Ministry of Health and Welfare counted that **the average long-term caring period of Taiwanese is 7.3 years**. (Male: average 6.4 years; Female: average 8.2 years) Fitness/exercise is the best option for seniors to implement preventive health care.
4. **Health awareness, attention on body figures, extreme weather, air pollution, sharing on social media, and affordable expenses** are the key factors which make the fitness market in Taiwan grow continuously.
5. Taiwan enters post-pandemic era, and it also gradually becomes an aging society or even a super-aged society. **"Exercise" certainly becomes the mainstream!** No matter it is young people pursuing ideal body figures, the middle-aged building strong bodies, or seniors maintaining energy, "fitness center" is the best option for indoor exercise!



View on Business

1. In 2023, "Fitness Factory" plans to open at least 8 new operating sites. (By the end of 2023, it is expected to run 72 operating sites in Taiwan)
2. **Continue to duplicate successful business model** and raise entry barriers to competitors.
3. Power Wind's **competitive advantages can be accumulated continuously**, including **benefits of economies of scale, the bargaining power to leasers and suppliers, professional knowledge and skills, and brand value**.



Niche Point

The 1st listed fitness center chains in Taiwan

1. Compared with competitors, Power Wind has more finance and M&A tools. In the future, PW will certainly grasp the market trend, actively open new operating sites, and continue to increase its market share.
2. Since being public listed in TWSE, Power Wind has increased its visibility in the international market, attracted long-term foreign investments, and strengthened competitiveness to stand in the leading position of the industry.

VI. Appendix – Financial Information

1. Consolidated Balance Sheets for the Most Recent Five Years and the Last Period
2. Consolidated Statements of Comprehensive Income and with Ratios of Each Account to Revenue for the Most Recent Five Years and the Last Period
3. YoY Comparison of Consolidated Statements of Comprehensive Income for the Most Recent Year

1. Consolidated Balance Sheets for the Most Recent Five Years and the Last Period

Unit: NT\$ Thousand

Account / Year	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Mar. 31, 2023
Current assets	919,849	903,197	995,806	1,215,129	1,322,498	972,892
Cash and cash equivalents	714,810	595,837	658,442	790,408	835,544	461,750
Non-current assets	2,216,992	6,134,177	6,260,684	6,956,771	8,021,613	8,188,561
Property, plant and equipment	2,102,841	2,661,935	2,832,522	3,103,845	3,136,880	3,137,789
Right-of-use assets	-	3,345,897	3,276,278	3,616,283	4,651,612	4,808,809
Total assets	3,136,841	7,037,374	7,256,490	8,171,900	9,344,111	9,161,453
Current Liabilities	869,249	1,319,410	1,547,471	1,617,872	2,159,997	1,912,970
Contract liabilities	417,521	424,380	499,533	611,762	685,832	721,093
Lease liabilities	-	407,298	427,203	482,265	531,107	593,471
Non-current liabilities	659,299	3,653,465	3,569,447	4,889,131	5,473,463	5,544,676
Lease liabilities	-	3,004,587	2,970,338	3,320,946	4,374,169	4,487,137
Total liabilities	1,528,548	4,972,875	5,116,918	6,507,003	7,633,460	7,457,646
Share capital	611,925	700,965	737,205	774,553	794,434	794,434
Additional paid-in capital	521,359	761,071	775,971	796,465	888,399	888,399
Retained earnings	510,051	652,418	639,440	101,812	172,822	149,833
Total equity attributable to the parent company	1,588,968	2,049,772	2,123,252	1,656,406	1,700,714	1,693,790
Non-controlling interests	19,325	14,727	16,320	8,491	9,937	10,017
Total equity	1,608,293	2,064,499	2,139,572	1,664,897	1,710,651	1,703,807

2. Consolidated Statements of Comprehensive Income and with Ratios of Each Account to Revenue for the Most Recent Five Years and the Last Period												Unit: NT\$ Thousand	
Note 1: There is no retrospective application on EPS and weighted average number of ordinary shares													
Note 2: The depreciated amount of Right-of-use assets in 2023 Q1 was NT\$137,811 thousand, taking a proportion of 14.50% to 2023 Q1 revenue													
Note 3: The interest of lease liabilities in 2023 Q1 was NT\$20,191 thousand, taking a proportion of 2.12% to 2023 Q1 revenue													
Account / Year	2018		2019		2020		2021		2022		2023 Q1		
Operating revenues	3,012,163	100.00%	3,526,882	100.00%	3,679,560	100.00%	2,605,977	100.00%	3,606,403	100.00%	950,328	100.00%	
Fitness and recreational sports services	1,815,710	60.28%	2,188,729	62.06%	2,232,096	60.66%	1,527,548	58.62%	2,019,512	56.00%	553,113	58.20%	
Sports health services	1,023,572	33.98%	1,158,922	32.86%	1,287,037	34.98%	980,977	37.64%	1,419,292	39.35%	358,648	37.74%	
Joining fees (Initiation and processing fees included)	145,142	4.82%	153,855	4.36%	135,828	3.69%	77,360	2.97%	139,996	3.88%	31,604	3.33%	
Others	27,739	0.92%	25,376	0.72%	24,599	0.67%	20,092	0.77%	27,603	0.77%	6,963	0.73%	
Operating costs	(2,024,504)	(67.21%)	(2,381,803)	(67.53%)	(2,549,920)	(69.30%)	(2,277,284)	(87.39%)	(2,776,888)	(77.00%)	(763,248)	(80.31%)	
Salary expense	1,088,250	36.13%	1,237,046	35.07%	1,356,921	36.88%	1,082,341	41.53%	1,422,892	39.45%	402,619	42.37%	
Rent expense	303,026	10.06%	2,258	0.06%	1,757	0.05%	5,043	0.19%	5,253	0.15%	394	0.04%	
Utilities expense (including fuel costs)	124,610	4.14%	142,909	4.05%	157,663	4.28%	128,965	4.95%	184,764	5.12%	38,589	4.06%	
Depreciation - Property, plant, and equipment	342,828	11.38%	391,395	11.10%	451,350	12.27%	469,834	18.03%	503,578	13.96%	127,928	13.46%	
Depreciation - Right-of-use assets	0	-	374,677	11.06%	394,242	10.71%	442,283	16.97%	496,282	13.76%	137,811	14.50% (Note 2)	
Gross profit	987,659	32.79%	1,145,079	32.47%	1,129,640	30.70%	328,693	12.61%	829,515	23.00%	187,080	19.69%	
Operating expenses	(435,693)	(14.47%)	(498,542)	(14.14%)	(578,272)	(15.72%)	(521,721)	(20.02%)	(685,614)	(19.01%)	(183,529)	(19.31%)	
Operating income	551,966	18.32%	646,537	18.33%	551,368	14.98%	(193,028)	(7.41%)	143,901	3.99%	3,551	0.37%	
Non-operating income and expenses	1,271	0.04%	(50,766)	(1.44%)	(42,800)	(1.16%)	1,537	0.06%	(52,291)	(1.45%)	(26,780)	(2.82%) (Note 3)	
Income from continuing operations before income tax	553,237	18.36%	595,771	16.89%	508,568	13.82%	(191,491)	(7.35%)	91,610	2.54%	(23,229)	(2.44%)	
Income tax gain (expense)	(95,595)	(3.17%)	(118,982)	(3.37%)	(99,937)	(2.72%)	48,166	1.85%	(19,154)	(0.53%)	320	0.03%	
Net income	457,642	15.19%	476,789	13.52%	408,631	11.11%	(143,325)	(5.50%)	72,456	2.01%	(22,909)	(2.41%)	
EPS (NT\$) (Note 1)	7.69	-	7.15	-	5.67	-	(1.91)	-	0.95	-	(0.31)	-	
Weighted average number of common shares outstanding (k shares) (Note 1)	57,714	-	65,763	-	70,747	-	74,449	-	74,485	-	74,485	-	

3. YoY Comparison of Consolidated Statements of Comprehensive Income for the Most Recent Year

Unit: NT\$ Thousand

Account / Year	2023 Q1		2022 Q4	QOQ	2022 Q1	YOY	2023 Q1		2022 Q1		YOY
	Amount	Ratio to Revenue	Amount		Amount		Amount	Ratio to Revenue	Amount	Ratio to Revenue	
Operating revenues	950,328	100.00%	946,974	0.35%	903,775	5.15%	950,328	100.00%	903,775	100.00%	5.15%
Fitness and recreational sports services	553,113	58.20%	526,953	4.96%	518,897	6.59%	553,113	58.20%	518,897	57.41%	6.59%
Sports health services	358,648	37.74%	385,129	-6.88%	343,978	4.26%	358,648	37.74%	343,978	38.06%	4.26%
Joining fees (Initiation and processing fees included)	31,604	3.33%	28,578	10.59%	34,824	-9.25%	31,604	3.33%	34,824	3.85%	-9.25%
Others	6,963	0.73%	6,314	10.28%	6,076	14.60%	6,963	0.73%	6,076	0.67%	14.60%
Operating costs	(763,248)	-80.31%	(747,150)	2.15%	(658,051)	15.99%	(763,248)	-80.31%	(658,051)	-72.81%	15.99%
Gross profit (loss)	187,080	19.69%	199,824	-6.38%	245,724	-23.87%	187,080	19.69%	245,724	27.19%	-23.87%
Operating expenses	(183,529)	-19.31%	(191,376)	-4.10%	(149,445)	22.81%	(183,529)	-19.31%	(149,445)	-16.54%	22.81%
Operating income (loss)	3,551	0.37%	8,448	-57.97%	96,279	-96.31%	3,551	0.37%	96,279	10.65%	-96.31%
Non-operating income and expenses	(26,780)	-2.82%	(6,882)	289.13%	(16,159)	65.73%	(26,780)	-2.82%	(16,159)	-1.79%	65.73%
Income (loss) from continuing operations before income tax	(23,229)	-2.44%	1,566	-1583.33%	80,120	-128.99%	(23,229)	-2.44%	80,120	8.87%	-128.99%
Income tax income (expense)	320	0.03%	182	75.82%	(16,333)	-101.96%	320	0.03%	(16,333)	-1.81%	-101.96%
Net income (loss)	(22,909)	-2.41%	1,748	-1410.58%	63,787	-135.91%	(22,909)	-2.41%	63,787	7.06%	-135.91%
Net income attributable to:											
Stockholders of the parent	(22,989)	-2.42%	1,706	-1447.54%	62,845	-136.58%	(22,989)	-2.42%	62,845	6.95%	-136.58%
Non-controlling interests	80	-	42	90.48%	942	-91.51%	80	-	942	-	-91.51%
Earnings per share (NT\$) (Note)	(0.31)		0.02		0.84		(0.31)		0.84		

Note: There is no retrospective application on EPS and Weighted average number of common shares



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